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FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE FIRST MEETING

Held at the Austria Center, Vienna,
on Tuesday, 22 September 1998, at 3.10 p.m.

Chairman: Mr. JOSEPH (Australia)

CONTENTS

Item of the agenda*		Paragraphs
-	Election of a Vice-Chairman and organization of work	1 - 8
5	Arrangements for the Conference	9 - 58
	(c) Criteria or guidelines for consideration of requests for the restoration of voting rights	9 - 50
	(d) Streamlining the work of the General Conference	51 - 58
9	The Agency's accounts for 1997	59 - 76
10	The Agency's programme and budget for 1999 and 2000	77 - 93

[*] GC(42)/20.

The composition of delegations attending the session is given in document GC(42)/INF/13/Rev.3.

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98-03406 (XXXVII)

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Abbreviations used in this record

CRP	Co-ordinated research programme
FAO	Food and Agriculture Organization of the United Nations
ILO	International Labour Organization
IMO	International Maritime Organization
INDAG	International Nuclear Desalination Advisory Group
IPF	Indicative Planning Figure
TCDC	Technical co-operation among developing countries
TCF	Technical Co-operation Fund
UNDP	United Nations Development Programme
WCF	Working Capital Fund
WHO	World Health Organization

ELECTION OF A VICE-CHAIRMAN AND ORGANIZATION OF WORK

1. The CHAIRMAN, having expressed appreciation for the confidence which the General Conference had placed in him by electing him Chairman of the Committee of the Whole, said that following consultations in the Group of 77 it had been proposed that Ambassador Umer of Pakistan be elected as a Vice-Chairman. If there were no objections, he would take it that the Committee wished to elect Mr. Umer as a Vice-Chairman.

2. It was so decided.

3. The CHAIRMAN drew attention to document GC(42)/COM.5/1, which listed the agenda items referred to the Committee of the Whole by the General Conference. He suggested that, as far as possible, the Committee take those items in the order in which they were listed.

4. It was so decided.

5. The CHAIRMAN proposed that, in line with past practice, he report orally to the Conference at a plenary meeting on the Committee's deliberations, which would also be the subject of summary records.

6. It was so decided.

7. The CHAIRMAN suggested that, since agenda item 17 (Article VI of the Statute) was likely to involve very extensive discussions, as far as possible the Committee's meetings on Thursday, 24 September be devoted entirely to it.

8. It was so agreed.

ARRANGEMENTS FOR THE CONFERENCE

(c) CRITERIA OR GUIDELINES FOR CONSIDERATION OF REQUESTS FOR THE RESTORATION OF VOTING RIGHTS
(GC(42)/10, GC(42)/COM.5/2)

9. The CHAIRMAN drew the Committee's attention to document GC(42)/10, containing a recommendation by the Board of Governors to the General Conference , and to document GC(42)/COM5/2, containing a draft resolution submitted by South Africa on behalf of the Group of 77.

10. Mr. CRONJE (South Africa), introducing the draft resolution on behalf of the Group of 77, noted in particular that it provided for the inclusion of an item entitled "Restoration of voting rights" in the provisional agenda for the General Conference's forty-fourth (2000) regular session.

11. Mr. KEMPEL (Austria) proposed that the phrase "in full and on time" be added at the end of preambular paragraph (c).

12. Mr. MCINTOSH (Australia) said that the draft resolution reflected very well the consensus reached at the Board's meetings in June and just prior to the current General Conference session.

13. He proposed that, in order to give preambular paragraphs (b) and (c) equal status, "Noting" in preambular paragraph (c) be amended to "Recognizing further".

14. Mr. CRONJE (South Africa) said he was sure that the Group of 77 could accept the proposals made by the representatives of Austria and Australia.

15. Mr. BENMOUSSA (Morocco) said that an earlier version of the draft resolution under consideration had contained a reference to the report of the Chairman of the Board of Governors on measures to facilitate the payment of contributions (document GOV/1998/54). He would like the draft resolution to contain an operative paragraph reading something like "Takes note with satisfaction of the measures to facilitate the payment of contributions as contained in document GOV/1998/54 and entrusts the Board of Governors to determine the modalities of their implementation;". The inclusion of such a paragraph would, in his view, facilitate the Board's further consideration of document GOV/1998/54 in November.

16. Mr. MCINTOSH (Australia) said it was his delegation's understanding that the Board would consider document GOV/1998/54 further at its November meetings, but not confine itself simply to the modalities for implementing the measures outlined in that document. In his view, the paragraph suggested by the Ambassador of Morocco prejudged the Board's deliberations.

17. Mr. KEMPEL (Austria), Mr. FITZPATRICK (United States of America), Mr. PAPADIMITROPOULOS (Greece), Mr. PECSTEEN (Belgium), Mr. KOCH (Germany) and Mr. CASTERTON (Canada) endorsed the comments made by the representative of Australia.

18. Mr. BENMOUSSA (Morocco) said that it was not his intention to induce others to endorse the measures outlined in document GOV/1998/54. The wording "Takes note with satisfaction" was merely intended to indicate that a satisfactory outcome had been achieved in the informal working group which he had chaired.

19. The plans for payment of arrears examined by the informal working group involved mechanisms which were already in place in at least 15 other international organizations. Payment in local currencies through UNDP offices was a practice which Morocco, for one, had long ago adopted in a number of cases, and it would have advantages for the Agency, which would no longer be faced with the risk of exchange losses.

20. If a paragraph along the lines of what he had suggested was not inserted in the draft resolution, the measures outlined in document GOV/1998/54 would not be approved until the forty-third session of the General Conference, and their implementation would not take place until the year 2000 - the year of the "follow-up assessment" envisaged in operative paragraph 2 of the draft resolution.

21. Mr. MCINTOSH (Australia) said that his delegation would have no problem with the General Conference's taking note of the measures outlined in document GOV/1998/54, encouraging the Board to complete its consideration of those measures and perhaps authorizing the implementation of any measures on which consensus could be reached before the forty-third session of the General Conference.

22. The CHAIRMAN proposed the following rewording of the additional paragraph suggested by the Ambassador of Morocco:

> "Takes note, with interest, of the measures to facilitate the payment of contributions as contained in document GOV/1998/54, and entrusts the Board to complete its study on the matter;".

23. Mr. KEMPEL (Austria) suggested that "proposed" be inserted before "measures" in the paragraph as proposed by the Chairman and that the paragraph be included in the draft resolution as a preambular - not an operative - paragraph.

24. Mr. BENMOUSSA (Morocco) said that he could go along with the phrase "Takes note, with interest, of the proposed measures", but not with the phrase "entrusts the Board to complete its study on the matter", whose inclusion would mean a whole year wasted on what was essentially a non-issue. Moreover, the preambular part of a resolution was not the appropriate place for entrusting the Board with a task.

25. Mr. KOCH (Germany) suggested that the phrase "Taking note, with interest, of the proposed measures" be included in the preambular part of the draft resolution and that the phrase "Entrusts the Board to complete its study on the matter" be included in the operative part.

26. Mr. WALLER (Deputy Director General for Administration), responding to a question asked by Mr. MCINTOSH (Australia), said that - as he had explained in the Board of Governors the previous week - it followed from subparagraph 2(g) of document GC(42)/10 that, if the General Conference accepted the recommendation made by the Board in that document, it would be approving the payment plan concept. Thus, if the Board took up document GOV/1998/54 and approved its contents at a later session, there would be no need for referral back to the General Conference before the payment plan could be implemented.

27. Mr. BENMOUSSA (Morocco), noting that only one example - a schedule of proposed payments - was mentioned in subparagraph 2(g) of document GC(42)/10, said he assumed that a further example might be payment in local currencies.

28. He proposed that the additional paragraph under consideration be amended to read something like the following:

"Takes note, with interest, of the proposed measures to facilitate the payment of contributions as contained in document GOV/1998/54, entrusts the Board to complete its study on the feasibility of those measures and authorizes the Director General to start implementing them if and when they are agreed by the Board;".

29. Ms. SAYAF (Syrian Arab Republic) expressed support for the amended text proposed by the Ambassador of Morocco.

30. Mr. KEMPEL (Austria) said that it would be for the General Conference to decide whether to implement any measures agreed by the Board.

31. Mr. REGUIEG (Algeria), expressing support for the proposal made by the Ambassador of Morocco, urged the representative of Austria to go along with it.

32. Mr. PECSTEEN (Belgium) said that in his view the Board should be entrusted not with studying the feasibility of the proposed measures but rather with studying the proposed measures themselves.

33. Mr. PAPADIMITROPOULOS (Greece) said that the General Conference should confine itself to taking note of the discussions which had taken place in the Board and of the fact that further discussions were planned.

34. Mr. MCINTOSH (Australia) said that in the light of what the Deputy Director General for Administration had just stated he did not consider the phrase "authorizes the Director General to start implementing them if and when they are agreed by the Board" proposed by the Ambassador of Morocco to be necessary. In the interests of consensus, however, he could go along with a phrase reading "authorizes the Director General to start implementing any such measures if and when they are agreed by the Board".

35. Mr. MAHMOUD (Iraq), calling for a consensus based on the proposals made by the Ambassador of Morocco, said that with the present arrangements almost one third of the Agency's Member States were unable to meet their financial obligations vis-à-vis the Agency. It was important that the General Conference adopt a resolution which would help in overcoming the problem.

36. Mr. WALLER (Deputy Director General for Administration), referring to paragraph 15 of document GOV/1998/54, said that it was only when UNDP spent an amount in a local currency that the US dollar equivalent would be transferred to the Agency.

37. Mr. TOWLER (United Kingdom) said it was his impression that the Board had not yet begun to study the feasibility of the proposed measures. Hence, he would prefer a phrase on the lines of "entrusting the Board of Governors to study the feasibility of those measures".

38. Mr. KOCH (Germany) said that he would prefer the formulation - proposed by the Chairman - "entrusts the Board to complete its study on the matter". In a spirit of

compromise, he could go along with the wording "authorizes the Director General to start implementing any such measures if and when agreed by the Board".

39. Mr. CASTERTON (Canada), while expressing support for the comments made by the representative of Germany, said that he would prefer "complete its consideration of the matter" to "complete its study on the matter"; the Board had not yet embarked upon a study.

40. Mr. BENMOUSSA (Morocco) said he could accept the wording "its consideration of" instead of "its study of" and "implementing any such measures" instead of "implementing them".

41. The CHAIRMAN noted that the issue of whether the new text should be in the preambular or operative part of the draft resolution had not been resolved.

42. Mr. KEMPEL (Austria) recalled the suggestion made regarding that issue by the representative of Germany.

43. The CHAIRMAN suggested the addition of a preambular paragraph (d) reading "Taking note, with interest, of the proposed measures to facilitate the payment of contributions as contained in document GOV/1998/54," and of an operative paragraph 4 reading "Entrusts the Board to complete its consideration of the measures proposed in document GOV/1998/54 and authorizes the Director General to implement any such measures if and when agreed by the Board of Governors;", with the original operative paragraph 4 becoming operative paragraph 5.

44. Mr. BENMOUSSA (Morocco) said that if the representative of South Africa, speaking for the Group of 77, could accept those additions, they would also be acceptable to him.

45. Mr. CRONJE (South Africa) said that he could accept them.

46. Mr. PECSTEEN (Belgium) said that preambular paragraph (d) should read "... facilitate the payment of arrears of contributions" - not "... facilitate the payment of contributions".

47. The CHAIRMAN said he assumed that the Committee found the addition of "arrears of" acceptable.

48. Mr. KOCH (Germany) said that his delegation could accept the draft resolution with the suggested amendments, but only on the understanding that the Board would not be restricted to considering the measures outlined in document GOV/1998/54; it must be free to consider other possible measures also.

49. The CHAIRMAN said he took it that the Committee wished to recommend to the Conference that it adopt the draft resolution contained in document GC(42)/COM.5/2 with preambular paragraph (c) amended in the manner proposed by the representatives of Austria and Australia and with the two additional paragraphs just suggested by himself, the first of

them being amended through the addition of "arrears of" between "payment of" and "contributions".

50. It was so agreed.

(d) STREAMLINING THE WORK OF THE GENERAL CONFERENCE (GC(42)/4)

51. Mr. AHMAD (Pakistan) said he believed that - as stated in paragraph 15 of document GC(42)/4 - the general debate would benefit from greater focusing on the Agency's programme and orientation and welcomed the fact that a time limit on speeches was being observed during the Conference's current session. He also welcomed the idea of a Scientific Forum involving specialist members of delegations to the General Conference.

52. He hoped that the General Conference would take the action recommended in paragraph 26 of document GC(42)/4.

53. Mr. RAGHURAMAN (India) said it would be good for the general debate to have a thematic focus; perhaps themes would emerge from discussions in the Board and the Senior Expert Group.

54. His delegation welcomed the idea of including a "World Nuclear Report" in the Agency's annual reports and that of clustering related agenda items. The idea of a Scientific Forum running in parallel with sessions of the General Conference was also a good one.

55. The principle of time limits on speeches was laudable, but difficult to apply; perhaps such time limits could be combined with the issuing of fuller statements in writing.

56. His delegation was in favour of the General Conference's taking the action recommended in paragraph 26 of document GC(42)/4.

57. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it approve the recommendations contained in document GC(42)/4.

58. It was so agreed.

THE AGENCY'S ACCOUNTS FOR 1997
(GC(42)/6)

59. Mr. KOCH (Germany) said that his delegation welcomed the External Auditor's unqualified audit opinion and was grateful to the External Auditor for his report. It was confident that the Director General would take the recommendations of the External Auditor into account, especially those regarding staff questions. Also, it was pleased that - as stated in paragraph 21 of his report - the External Auditor intended to continue monitoring "future progress in the area of programme management and performance assessment".

60. Something which had caused his delegation some difficulty in studying the accounts document was the use of three different rates of exchange between the Austrian schilling and the United States dollar - 12.70, 12.04 and 12.30 schillings to the dollar. In the Financial Highlights (on page 2 of the document), it was stated that an increase in the United Nations rate of exchange of the Austrian schilling versus the United States dollar had resulted in overall losses on exchange in United States dollar terms, which had been partially absorbed by the previous years' accumulated net gains. However, no figures were given. His delegation would have appreciated gross and net figures for the financial repercussions of the increase in the rate of exchange, and an explanation of the advantages of using three different exchange rates.

61. Mr. RAGHURAMAN (India), welcoming the fact that the External Auditor had found the Agency's accounts to be in order, said that any discrepancy between the duties being performed at various levels and the corresponding manning table should be addressed expeditiously and the Board and General Conference informed.

62. The issue of cost-free experts should be examined more carefully, and his delegation would like the Secretariat to provide it with additional information on the subject.

63. In paragraph 9 of the "Introduction to the Agency's Accounts for 1997 and Financial Highlights", it was stated that "Owing to the fact that $57.4 million of the 1997 assessments was received late in December, it was necessary to utilize as much as $17.9 million from the WCF." Calling for the timely payment of assessed contributions, he said that India's assessed contribution for 1998 had been paid in full and on time, as had India's share of the TCF target for 1998.

64. Mr. LIU Yongde (China) said that the recommendations made by the External Auditor regarding staff contracting arrangements, management training and the procurement of goods and services were very appropriate and that his delegation hoped that the Secretariat would give them serious consideration. Improvements were necessary particularly in the areas of staff contracting and procurement.

65. Mr. YAMANAKA (Japan) said that his Government, which was making every effort to pay Japan's assessed contributions in full and on time despite the country's financial difficulties, attached great importance to the Secretariat's achieving maximum efficiency, with zero nominal budgetary growth as the ultimate aim.

66. As regards the TCF, his delegation was very concerned about the widening gap between successive targets and the resources being provided in response to those targets. The targets for contributions to the TCF should be realistic, and Member States should pay their full TCF target shares. In the utilization of technical co-operation resources, "due account" provisions and eligibility criteria should be applied.

67. Mr. WALLER (Deputy Director General for Administration), responding to the remarks of the representative of India about cost-free experts, recalled that the issue of the administrative, secretarial and other costs to the Agency associated with the use of "cost-free"

experts had been referred to in May by the External Auditor in the Administrative and Budgetary Committee (now the Programme and Budget Committee). On that occasion, the representatives of a number of Member States had opposed the idea that the Secretariat should seek to recover such costs from the countries making "cost-free" experts available to the Agency.

68. The issue of exchange rates was a rather complex one. For several years, the Secretariat had been using an exchange rate of 12.70 Austrian schillings to the United States dollar in preparing budget estimates. Sometimes that rate was very different from the rate prevailing at the time when the General Conference adopted the draft resolution on the Regular Budget appropriations for the following year and from the average rate experienced during that year, and the use of the rate of 12.70 Austrian schillings to the United States dollar in successive years had sometimes been criticized. The advantage was that it facilitated comparison of the budget estimates for successive years.

69. As regards the different exchange rates used in the accounts document, the exchange rate used in computing income was the exchange rate prevailing at the time when the income was received; that used in computing expenditures was that prevailing at the time when the expenditures were incurred. Outstanding assessments and unliquidated obligations were shown at the end-of-year exchange rate.

70. Mr. ESPINO (Director, Division of Budget and Finance) said that income and expenditures were recorded using the relevant month's exchange rate. Although a rate of 12.30 had been used at the end of the year to record outstanding assessments and unliquidated obligations, the average rate for both had been 12.04; there was therefore no inconsistency.

71. As regards the losses on exchange referred to in the Financial Highlights, most of them had been unrealized losses. There had been a positive balance of $2.3 million at the start of 1997, reflecting exchange gains before the year began. Accounting losses of $6.1 million had been subtracted from that balance, resulting in a net loss of $3.8 million - shown in Statement II. That had not affected budget implementation in 1997, and the loss had been disregarded by the Secretariat when projecting 1999-2000 income.

72. Mr. HERRERA ANDRADE (Mexico), referring to Table 1 in document GC(42)/6, which indicated that there had been an overall increase of 29 in the number of Professional grade posts between 1996 and 1997, asked how the increase had been financed at a time of zero real Regular Budget growth.

73. Mr. WALLER (Deputy Director General for Administration) said that, although the number of Professional grade posts had increased by 29 between 1996 and 1997, the "Total staff in post" had not increased - as could be seen from the last line in Table 1.

74. The increases which had occurred in staff costs during recent years had been accommodated largely through cuts in the provisions for administrative expenses under Major Programme 6 (Policy-making, Co-ordination and Support).

75. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page I of document GC(42)/6.

76. It was so agreed.

THE AGENCY'S PROGRAMME AND BUDGET FOR 1999 AND 2000
(GC(42)/7 and Mod.1, GC(42)/INF/10)

77. Mr. KOCH (Germany) said that his delegation was disappointed that, despite the budgetary difficulties being experienced by many Member States - including Germany - and the downward trend in budgets within the United Nations system as a whole, the Regular Budget for 1999 represented 1.4% nominal growth. It was still in favour of zero nominal growth in the budgets of all organizations belonging to the United Nations system, and it hoped that the Director General would revise the provisional estimates for 2000 downwards accordingly, bearing in mind that the United Nations Secretary-General had recently produced a 2000-2001 budget outline which represented minus nominal growth.

78. Referring to Table 68, "Staffing table for 1999", he expressed surprise at the envisaged increase in the number of Professional posts from 797 in 1998 to 806 in 1999. Such an increase would run counter to the general trend in the United Nations system, where numbers of posts and staffing costs were being cut. Referring to Table 65, "The Regular Budget by item of expenditure", he expressed concern at the envisaged increases in expenditure on salaries and temporary assistance. His delegation was convinced that such increases could be avoided without detriment to the Secretariat's work.

79. Referring to Table 2, "The Regular Budget - Summary of Income", he said that in his view the estimate of "Investment and interest income" was too low by some $1.5 million, so that Member States would be assessed for unnecessarily high amounts. The Secretariat should be more realistic when estimating "Investment and interest income".

80. Referring to document GC(42)/7/Mod.1, in which it was reported that the Board of Governors had decided to recommend a TCF target figure of $73 million for 1999, he said that higher TCF targets were not resulting in greater TCF resources. A more realistic approach should be adopted by the Board of Governors when agreeing on IPFs.

81. Mr. PECSTEEN (Belgium) said that his delegation hoped that the Director General would revise the provisional estimates for 2000 downwards so that they provided for zero real growth.

82. Mr. RAGHURAMAN (India) said his delegation was disappointed that the expenditures for 1999 Agency programmes would be lower than the 1998 approved budget; although the decrease was small (only 0.1% in real terms), it followed several years of zero real growth in the Regular Budget. At the same time, his delegation would like to see the Agency relying less on extrabudgetary resources.

83. The expected concentration of time and resources on safeguards and other verification activities implied reductions in technical co-operation and other promotional activities. Only 6% of the Regular Budget for 1999 was to be allocated to "Nuclear Power and Fuel Cycle", whereas 36-37% was to be allocated to "Nuclear Verification and Security of Material".

84. The Agency had a major role to play in promoting nuclear power, which was becoming an important energy source for more and more countries, including more and more developing countries, in a world where the fossil fuel resources were being used up rapidly and their utilization was environmentally harmful.

85. His delegation welcomed the recent establishment of INDAG and the International Working Group on Nuclear Fuel Cycle Options. It believed that the Agency should continue with activities relating to nuclear applications for industry, the environment (including the marine environment), sustainable food production, human health and water resources development, and should further encourage TCDC. It also believed that Agency programmes should include more CRPs, since CRPs were frequently the forerunners of technical co-operation projects.

86. In the nuclear safety field, the Agency should support Member States through the provision of equipment as well as of expertise.

87. Mr. BENMOUSSA (Morocco) said that his delegation continued to be of the view that the first step in the formulation of Agency Regular Budgets should be the establishment of programme priorities - not the setting of budgetary ceilings. That approach would simplify budgetary negotiations.

88. His delegation, which was disappointed about the envisaged budgetary reduction in real terms, did not think that the Agency should necessarily follow the zero-nominal-growth examples set by other organizations belonging to the United Nations system.

89. Mr. CASTERTON (Canada) said that his delegation, while welcoming the Secretariat's efforts to increase efficiency and reduce costs, was disappointed that the Regular Budget proposed for 1999 did not represent zero nominal growth. Organizations such as WHO, ILO, FAO and IMO were managing with zero-nominal-growth budgets, and the United Nations budget for 1998-1999 represented minus nominal growth.

90. More remained to be done in the field of programme planning, in order to minimize duplication of effort. His delegation would like the programme and budget formulation process to become still more transparent, with greater input from Member States.

91. Mr. YAMANAKA (Japan) said that his delegation was in favour of zero nominal growth both in assessed contributions and in the TCF targets.

92. The CHAIRMAN assumed that the Committee wished to recommend to the General Conference that it adopt draft resolutions A and C set out in Annex I to document GC(42)/7 and draft resolution B set out in document GC(42)/7/Mod.1.

93. It was so agreed.

The meeting rose at 6 p.m.

GC

GC(42)/COM.5/OR.2
21 October 1998
GENERAL Distr.

International Atomic Energy Agency
GENERAL CONFERENCE

Original: ENGLISH

FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE SECOND MEETING

Held at the Austria Center Vienna
on Wednesday, 23 September 1998, at 10.20 a.m.

Chairman: Mr. JOSEPH (Australia)

CONTENTS

Item of the agenda*		Paragraphs
11	Scale of assessment of Members' contributions towards the Regular Budget	1 - 2
12	Measures to strengthen international co-operation in nuclear, radiation and waste safety	3 - 74
13	Strengthening of the Agency's technical co-operation activities	75 - 105

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Abbreviations used in this record

GRULAC	Latin American and Caribbean Group
INSAG	International Nuclear Safety Advisory Group
MERCOSUR	Southern Cone Common Market
OPANAL	Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean
SAGTAC	Standing Advisory Group on Technical Assistance and Co-operation
TCDC	Technical co-operation among developing countries
TCF	Technical Co-operation Fund

SCALE OF ASSESSMENT OF MEMBERS' CONTRIBUTIONS TOWARDS THE REGULAR BUDGET
(GC(42)/13)

1. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution on page 3 of document GC(42)/13.

2. It was so agreed.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY
(GC(42)/11, GC(42)/INF/3, 5, 6, 14 and 15, GC(42)/COM5/5, 7, 8 and 9)

3. The CHAIRMAN, drawing attention to document GC(42)/INF/15, which dealt with the International Conference on the Safety of Radiation Sources and the Security of Radioactive Materials that had taken place in Dijon, France, the previous week, invited Mr. Beninson of Argentina, who had chaired the Conference Programme Committee, to take the floor.

4. Mr. BENINSON (Argentina) said that each year numerous radiation sources recorded in the inventories of regulatory bodies were lost, abandoned or stolen and that in addition there were a great many radiation sources not recorded in the inventory of any regulatory body. Such "orphan" sources could become the subject of illicit trafficking or change hands quite legally, but in either event they could give rise to accidents or incidents.

5. A recent incident caused by an "orphan" source had been the release of a radioactive plume from a plant in Spain where scrap metal was melted down; one batch of scrap metal had included an "orphan" source, and the radioactive plume had been detected by radiation monitoring stations a long way off.

6. It was important to prevent radiation sources from eluding regulatory control and to monitor their movement. In particular, it was important to be able to detect radiation sources as they were crossing national borders - legally or illegally.

7. The Conference, which had examined various issues relating to "orphan" sources, had - inter alia - urged governments to create regulatory authorities for radiation sources if they did not already exist and recommended that further efforts be made to investigate whether international undertakings concerned with the effective operation of national regulatory control systems and attracting broad adherence could be formulated.

8. The CHAIRMAN invited the representative of Turkey to introduce the draft resolution contained in document GC(42)/COM.5/5 and relating to the safety of transport of radioactive materials.

9. Mr. ARAR (Turkey), introducing the draft resolution (which Yemen wished to co-sponsor), said that in the Diplomatic Conference convened to adopt the Joint Convention

on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management there had been a serious difference of views about Article 27 of the Joint Convention, which related to "transboundary movement". After lengthy discussions, the Diplomatic Conference had adopted a resolution in which it urged all States parties to the Joint Convention to take into full consideration the Agency's Regulations for the Safe Transport of Radioactive Material (the Agency's Transport Regulations) when formulating and implementing their national laws and regulations. Subsequently, the General Conference had - in resolution GC(41)/RES/12 - requested the Secretariat to prepare "a report on legally binding and non-binding international instruments and regulations concerning the safe transport of radioactive materials and their implementation" for consideration during the Board's meetings in June 1998. That report was contained in document GOV/1998/17, and the Board had taken note of it during its June meetings.

10. The report revealed that many international instruments and regulations of varying scope and type existed, but the co-authors of the draft resolution were of the opinion that the Agency's Transport Regulations were the only really relevant document - but they were legally non-binding.

11. The draft resolution aimed at achieving wider and more effective implementation of the Agency's Transport Regulations, and he hoped that it would attract a consensus, with Member States setting aside short-term economic interests.

12. Mr. CHEBIHI (Algeria) said that he too hoped that the draft resolution would attract a consensus.

13. Mr. TRUJILLO GARCIA (Colombia), speaking on behalf of GRULAC and expressing support for the draft resolution, said that the transport of radioactive materials was a subject of great concern to GRULAC's members, as was clear from - inter alia - the 5 February 1998 OPANAL declaration on the transport of radioactive waste, the 29 October 1997 declaration of the member countries and associated countries of MERCOSUR and the joint declaration on radioactive waste signed by Argentina, Brazil, Chile and Uruguay on 17 January 1997. The member countries of GRULAC therefore attached particular importance to the Agency's Transport Regulations, and several had adopted them as the basis for their national regulations relating to the transport of radioactive materials.

14. Mr. MORTON (New Zealand) said that, like many other coastal States, New Zealand was deeply concerned about the safety of transport of radioactive materials. A communiqué released in August by the South Pacific Forum showed the strength of feeling which existed on that issue in the South Pacific region.

15. The draft resolution was not designed to impose restrictions on those countries which engaged in the transport of radioactive materials, and he hoped that they would support it.

16. At the same time, he was disappointed that the submission of such a draft resolution seemed to be the only type of action currently possible within the Agency and felt that shipping States could and should do more to meet the concerns of coastal States.

17. Mr. BOURITA (Morocco), inviting broad support for the draft resolution, said that Morocco - situated on the Strait of Gibraltar - received SOS calls every day from passing ships. Accidents involving such ships with radioactive materials on board could pose a radiological threat to his country.

18. Mr. SHOAIB (Pakistan), expressing support for the draft resolution, said that hardly any radioactive waste or other radioactive materials were moved by land or sea within, to or from his country and that the air transport of such materials was conducted in accordance with the Agency's Transport Regulations, which provided a sound basis for national regulations.

19. Mr. STRATFORD (United States of America), having expressed appreciation of the Secretariat report submitted to the Board in document GOV/1998/17, said that his Government was concerned about the apparent desire of some Member States to make the Agency's Transport Regulations legally binding. Accordingly, his delegation could not go along with operative paragraph 2 of the draft resolution.

20. For domestic legal reasons, the United States, which had incorporated much of the Agency's Transport Regulations into its relevant federal regulations, had not incorporated them in their entirety. Regulating the transport of radioactive materials was a national responsibility, and making the Agency's Transport Regulations legally binding mandatory would reinforce the erroneous view that the Agency was an international regulator.

21. The existing legally binding and non-binding international instruments and regulations were sufficient, and scarce Agency resources should not be expended on exercises of the type envisaged in operative paragraph 2 of the draft resolution.

22. Mr. KNYAZHNYTSKY (Ukraine) said that his country had - as a transit State - concluded a number of international agreements relating to the transboundary movement of radioactive materials and that it was satisfied with the resulting arrangements. Consequently, it did not feel the need for any new international instrument. It would prefer to see the focus placed on improving the implementation of existing international instruments.

23. Mr. TOWLER (United Kingdom) said that the position of his country was similar to that of the United States. The United Kingdom had leaned heavily on the Agency's Transport Regulations when formulating its relevant national regulations, but it had not adopted them all.

24. His delegation was concerned that adoption of the draft resolution as it stood might lead to a duplication of work which was being done by other organizations, and it could therefore not support the draft resolution.

25. Mr. DELACROIX (France) said that in his country's view the Agency's Transport Regulations should remain legally non-binding. Adoption of the draft resolution would be a step towards making them binding, and his delegation could therefore not support it.

26. Mr. TITKOV (Russian Federation) said that the international transport of radioactive materials was comprehensively covered by existing international instruments. Hence, the idea of developing - under the Agency's auspices - a convention on the safe transport of nuclear materials had not been widely supported in the Diplomatic Conference convened to adopt the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

27. An attempt was now being made, with the draft resolution, to achieve the same ultimate objective by making the Agency's Transport Regulations legally binding and the Agency a supranational body authorized to monitor individual States' compliance with them. His delegation could therefore not support the draft resolution.

28. Use of the Agency to modify international law in areas not directly or exclusively connected with the utilization of nuclear energy and attempts to involve the Agency in extraneous political issues were totally unacceptable.

29. Mr. ARAR (Turkey) said that countries like the United States and the United Kingdom might have difficulties with submitting declarations of the kind envisaged in operative paragraph 2 of the draft resolution, but he did not think such difficulties were insuperable.

30. The co-authors were not, as the representative of the Russian Federation had suggested, attempting to turn the Agency into a supranational body authorized to monitor individual States' compliance with the Agency's Transport Regulations.

31. Mr. RAGHURAMAN (India) said that Indian experts had participated in the development - under the Agency's auspices - of safety standards which, although not binding on States (including India), served as a basis for national legislation and regulations.

32. The work of the various advisory bodies set up by the Secretariat to develop and review nuclear safety, radiation safety, waste safety and transport safety standards and of groups like INSAG was greatly appreciated by his country.

33. The Secretariat should continue to promote nuclear safety and waste safety by disseminating information on the available state-of-the-art technologies. A nuclear incident anywhere was a nuclear incident everywhere, so technical support for safety improvements should not be hampered by political considerations.

34. The Agency should also help developing countries interested in embarking on nuclear power programmes to deal with the mass of safety standards which had been developed. In that connection, it might be useful to explore the possibility of conducting regional and interregional safety training courses in developing countries within the framework of TCDC.

35. An interregional group training course on radiation protection and safety in medicine, organized with the Agency's help, had been held in India earlier in the year within the framework of a model technical co-operation project, and an "IAEA Regional Basic

Professional Training Course on Radiation Protection" was due to take place there shortly. His delegation would like such courses to be held annually.

36. Calling for an integrated approach to nuclear safety, he said that proper provision for safety already at the facility design stage helped to reduce costs - a point of particular importance for developing countries interested in the possibilities of nuclear power. In that connection, the Agency should play a proactive role globally in promoting safety culture and assist Member States in acquiring nuclear safety technology.

37. Mr. FRASK LUCERO (Brazil), inviting support for the draft resolution, said his country believed that the international regime governing the transport of radioactive materials should be gradually strengthened.

38. Like all other MERCOSUR countries, Brazil had already incorporated the Agency's Transport Regulations into its national regulations and was applying them in the transport of all kinds of radioactive material, both internally and internationally.

39. Mr. BOBADILLA LÓPEZ (Chile), also inviting support for the draft resolution, said that his country, with its very extensive coastline, was well aware of - and extremely concerned about - the risks associated with the transport of radioactive materials.

40. His delegation would like all States shipping radioactive materials to provide the potentially affected States with information about the routes to be followed and about contingency plans for dealing with accidents.

41. Mr. KEMPEL (Austria) said that the draft resolution was in principle a useful one and that the concerns of countries located close to major transport routes were understandable. However, the question whether the Agency's Transport Regulations should become legally binding was a difficult one. For its part, his country believed that they should continue to be non-binding, it being left to individual States to implement them in what was for them the most appropriate manner.

42. Referring to operative paragraph 4 of the draft resolution, which envisaged the establishment of a service by the Secretariat, he recalled that Rule 67 of the Rules of Procedure of the General Conference stated that a proposal involving expenditure by the Agency "shall not be voted upon in the absence of a report ... on the administrative and financial implications ...".

43. Mr. SARWAT (Egypt), expressing support for the draft resolution, said that, although concerns relating to national sovereignty in the safety area and to the possibility of additional costs having to be borne by the Agency were legitimate, the concerns of States likely to be affected by the radioactive material shipping operations of other States should take precedence. The international nuclear safety regime should be strengthened just as the international safeguards regime had been.

44. Mr. MOONEY (Ireland) said that in his view the draft resolution was acceptable to the extent that it responded to public concerns about the transport of radioactive materials. However, operative paragraph 1 seemed to envisage the Agency's policing regulatory activities of other organizations - something about which he had misgivings.

45. Mr. CASTERTON (Canada) said that his delegation would not want the Agency to duplicate the work of other organizations, but it would like to see a greater flow of information to the Agency. The flow would be augmented if Member States which had not yet responded to the questionnaire used by the Secretariat in preparing the report contained in the Attachment to document GOV/1998/17 did respond, indicating in particular the use which they were making of the Agency's Transport Regulations.

46. The safe transport of radioactive materials was a complex issue involving many aspects of international law, and in his delegation's view the draft resolution as it stood prejudged the outcome of future Agency work relating to that issue.

47. Mr. YAMANAKA (Japan), endorsing what had been said by the representatives of the United States, the United Kingdom, France and the Russian Federation, said that his delegation was particularly concerned about the request made of the Director General in operative paragraph 1 of the draft resolution. It was difficult to see how the Director General could "determine the extent" to which other international organizations had "adopted the revised Transport Regulations ...".

48. His delegation was also concerned about the way in which the information contained in the national declarations envisaged in operative paragraph 2 would be used.

49. Mr. PECSTEEN (Belgium) endorsed what had been said by the representative of the United States, France, the United Kingdom, the Russian Federation and Japan.

50. Mr. PAPADIMITROPOULOS (Greece) said that, while the co-authors of the draft resolution were to be commended for their tireless efforts, their purpose in submitting the draft resolution at the present time - after what had happened during the negotiations on the Convention on Nuclear Safety and in the Diplomatic Conference convened to adopt the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management - was difficult to understand.

51. His delegation shared the concerns expressed by the representatives of Japan and various other Member States, including the concern about the administrative and financial implications of the request made of the Secretariat in operative paragraph 4 of the draft resolution.

52. Mr. STRATFORD (United States of America), recalling that the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management provided for peer review processes designed to determine how the obligations established in the Conventions were being fulfilled, said that during the negotiations on the Joint Convention it had been decided that the transport of

radioactive materials would not be covered in that instrument; many countries had simply not been prepared to accept peer reviews of the fulfilment of obligations relating to the transport of radioactive materials.

53. The draft resolution envisaged something akin to a peer review process, however, and many countries, when making the declarations provided for in operative paragraph 2 would simply state that - for reasons of their own - they had not formulated and were not implementing "national laws and regulations in whose formulation and implementation they took and are taking full account of the Transport Regulations ...". That was something which most of those countries would not like to be forced to do by a number of other countries.

54. Mr. GONZÁLEZ (Director, Division of Radiation and Waste Safety), responding to remarks about the administrative and financial implications of the Secretariat's establishing the service envisaged in operative paragraph 4 of the draft resolution, said that Member States requesting appraisals of how they were implementing the Agency's Transport Regulations would normally pay for the appraisals to be carried out. Alternatively, such appraisals could be carried out within the framework of technical co-operation projects or by cost-free experts made available by other Member States.

55. As regards operative paragraph 1 of the draft resolution, the Director General was already doing something on the lines of what seemed to be envisaged there within the framework of the Agency's normal co-operation with other international organizations.

56. The CHAIRMAN suggested that further discussion of the draft resolution contained in document GC(42)/COM.5/5 be postponed until interested delegations had had time for informal consultations.

57. It was so agreed.

58. Mr. SCHMIDT (Austria), introducing the draft resolution on the Convention on Nuclear Safety in document GC(42)/COM.5/7, said that in preambular paragraph (c) the number "46" should be changed to "47".

59. The CHAIRMAN said he took it that the Committee wished to recommend to the Conference the adoption of that draft resolution.

60. It was so agreed.

61. Mr. BENINSON (Argentina), introducing the draft resolution in document GC(42)/COM.5/8 on the International Conference on the Safety of Radiation Sources and the Security of Radioactive Materials held in Dijon, France, from 14 to 18 September 1998, pointed out that it contained references to "illicit trafficking in radioactive materials" - something covered in the draft resolution contained in document GC(42)/COM.5/6 on "Measures against illicit trafficking in nuclear materials and other radioactive sources". He would be amenable to any drafting suggestions aimed at avoiding duplication between the two draft resolutions.

62. Mr. MCINTOSH (Australia) said that he too would be amenable to such drafting suggestions.

63. As regards operative paragraph 4 of the draft resolution in document GC(42)/COM.5/8, it might be more appropriate if the Secretariat were requested "to prepare for the consideration of the Board of Governors a report on ..." rather than "to explore ...".

64. Mr. CASTERTON (Canada) suggested that, in order to avoid duplication between the draft resolution in document GC)42)/COM.5/8 and that in document GC(42)/COM.5/6, the references to illicit trafficking in radioactive materials be deleted from the former. Thus, in operative paragraph 2 the phrase ", including efforts to prevent, detect and respond to illicit trafficking in radioactive materials" would be deleted; in operative paragraph 3 the phrase ", including systems for preventing, detecting and responding to illicit trafficking in radioactive materials" would be deleted; and in paragraph 4 the phrase "and for preventing, detecting and responding to illicit trafficking in radioactive materials" would be deleted.

65. Mr. BENINSON (Argentina) said he could go along with the suggestion made by the representative of Canada and also accept the modification of operative paragraph 4 suggested by the representative of Australia.

66. Mr. SCHMIDT (Austria) said that operative paragraph 1 seemed to suggest that the General Conference would be endorsing the major findings of a conference which had taken place only a few days previously.

67. The CHAIRMAN suggested that further consideration of the draft resolution be postponed.

68. It was so agreed.

69. Mr. STOIBER (United States of America), introducing the draft resolution in document GC(42)/COM.5/9 on "Measures to address the Year 2000 (Y2K) issue", said that the "millennium bug" existed in a variety of unexpected places and could affect important control and management systems. Decisive action was needed in order to ensure that critical systems at nuclear facilities were corrected well before the year 2000. Because the ability to address the Y2K issue differed substantially from one Member State to another, the Secretariat should act as "a clearing-house and central point of contact for Member States to exchange information".

70. As regards the phrase "within existing resources" in operative paragraph 3, his country was ready to provide expert assistance free of charge to the Agency.

71. In response to a comment by the Chairman, he said that in operative paragraph 4 the phrase "that Member State information" should read "the information provided by Member States".

72. Mr. TOWLER (United Kingdom), inviting support for the draft resolution, said that his delegation welcomed the readiness of the United States to provide the Agency with assistance free of charge.

73. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(42)/COM.5/9.

74. It was so agreed.

STRENGTHENING OF THE AGENCY'S TECHNICAL CO-OPERATION ACTIVITIES (GC(42)/INF/4, GC(42)/COM.5/3)

75. Mr. CRONJE (South Africa), introducing the draft resolution in document GC(42)/COM.5/3 on behalf of the Group of 77, said that the text was basically the same as that of resolution GC(41)/RES/13, adopted in 1997, with a number of additions.

76. Mr. KEMPEL (Austria) suggested that the Committee go through the additions one by one.

77. Ms. ALEMAYEHU (Ethiopia) said that the Agency's technical co-operation activities were of paramount importance to developing countries, and especially to the least developed among them. The technical assistance her country had received from the Agency had contributed considerably to its development endeavours, and it appreciated the continuing efforts being made by the Department of Technical Co-operation to deliver an effective programme despite a drop in resources.

78. Mr. RAGHURAMAN (India) said his delegation was pleased with the high level of implementation achieved by the Department of Technical Co-operation despite the non-availability of expected resources. It hoped that the Department's new organizational structure would help in strengthening the Agency's technical co-operation activities.

79. His delegation welcomed the management reform initiatives which had been taken. It also welcomed SAGTAC's recommendation that activities in the technical co-operation field financed from both the TCF and the Regular Budget be integrated; implementation of that recommendation would probably help in areas like nuclear power, nuclear safety and nuclear applications.

80. His delegation appreciated the steps being taken to strengthen TCDC by involving the more advanced institutions in the different regions and through the "centres of excellence" approach.

81. India was concerned at the recent tendency to focus increasingly on verification. There should be a proper balance in the allocation of resources between promotional and safeguards activities.

82. During the 1970s and early 1980s, projects relating to nuclear power and the nuclear fuel cycle had accounted for some 30% of the Agency's technical co-operation programmes. Owing to Agency policy changes, that proportion had then declined. India hoped that the downward trend would be reversed under the new Director General.

83. The methodology employed in preparing regional programmes in the nuclear power and nuclear fuel cycle areas should perhaps be reassessed with a view to making better use of scarce resources. Such an exercise might result in "regional programme frameworks" for nuclear power development in South-East and Central Asia, Eastern Europe and North Africa.

84. Special attention should be paid to regional model projects, particularly in relation to the development and sharing of nuclear power infrastructures in Asia, Eastern Europe and North Africa. Governments should be involved in such projects irrespective of their national plans for nuclear power development so that regional problems relating to - inter alia - the transport of nuclear fuel, liability, the storage of waste and emergency preparedness might be efficiently addressed.

85. Mr. MAHMOUD (Iraq) said that Agency technical co-operation was of crucial importance in enlarging the contribution of atomic energy to peace, health and prosperity throughout the world in line with Article II of the Statute.

86. Iraq, which had on numerous occasions stressed the need to ensure that the financing of Agency technical co-operation was placed on a sound footing, believed that it should be financed from the Regular Budget and not be dependent on voluntary contributions.

87. There were currently five technical co-operation projects (in the areas of medicine and agriculture) under way in Iraq, but their implementation had been greatly delayed because the necessary equipment had not been delivered owing to the continuing operation of sanctions. His delegation would like the Secretariat to do all it could to expedite the delivery of that equipment.

88. Mr. CASTERTON (Canada), commending the Department of Technical Co-operation for all it had done to strengthen Agency technical co-operation, urged it to continue with its efforts to form partnerships with funding organizations and establish appropriate joint project mechanisms.

89. The sustainability of technical co-operation projects was important, and Canada would be happy to continue assisting the Agency in that connection. At present, the Canadian International Development Agency was assessing the impact of the eradication of the tsetse fly in Zanzibar - achieved through an Agency technical co-operation project - on animal production there.

90. Canada believed that broadening the base of contributors to the TCF would help ensure that the Agency's resources for technical co-operation activities were assured, predictable and sufficient. It was therefore pleased that more countries were contributing, or had indicated their intention to contribute, to the TCF.

91. His country was pleased with recent developments regarding the payment of assessed programme costs. By paying those costs, recipient countries demonstrated their commitment to the projects to which the costs related.

92. Finally, Canada supported the idea of an efficiency/impact review of a sample of technical co-operation projects for the purpose of determining whether donors and recipients were getting value for money. The costs associated with such a review should be taken into account in its design.

93. Mr. Dae-Shik JO (Republic of Korea), referring to operative paragraph 6 of the draft resolution in document GC(42)/COM.5/3, said his delegation would like the Secretariat to consult more intensively with Member States on the question of regional centres of excellence.

94. Mr. SHOAIB (Pakistan) said that the Agency had a responsibility to facilitate technology transfer in areas where nuclear techniques had the edge over conventional techniques.

95. Given the recent difficulties with technical co-operation financing, TCDC was assuming greater significance. In the interests of TCDC, his country was ready to make available advanced institutions as centres of excellence in nuclear engineering, nuclear medicine and agricultural applications.

96. His delegation hoped that the Department of Technical Co-operation would implement the recommendations made by SAGTAC late in 1997 and that it would ensure that the Agency's technical co-operation activities benefited from greater involvement and support on the part of all relevant technical Divisions of the Agency.

97. Mr. MCINTOSH (Australia), having noted that his country's priorities in the technical co-operation field were poverty reduction and sustainable development, said that the emphasis in operative paragraph 3 of the draft resolution in document GC(42)/COM.5/3 on the continued promotion of nuclear power did not accord well with the emphasis in operative paragraph 4 on the needs of least developed countries, for which nuclear power had little relevance.

98. As regards operative paragraph 6, in his delegation's view the identification of regional centres of excellence was primarily a matter for the countries party to the various regional agreements.

99. Mr. ARAR (Turkey) said his delegation was in favour of the General Conference's adopting the draft resolution.

100. Mr. GOLDMAN (United States of America) said his delegation was pleased with the Secretariat's continuing efforts to strengthen the Agency's technical co-operation activities and looked forward to examining the proposed technical co-operation programme

for 1999-2000, which - it hoped - would provide evidence that the introduction of model projects had led to major and permanent improvements.

101. The commitment of his country to Agency technical co-operation was shown by the fact that it was the largest contributor to the TCF and had been making large additional contributions in support of the Agency's technical co-operation activities. The United States would continue to support Agency technical co-operation to the extent that its resources allowed.

102. His delegation found the draft resolution under consideration somewhat disappointing in that it did not include any references to the initiatives already taken to strengthen the Agency's technical co-operation activities - for example, the introduction of model projects and thematic planning.

103. Referring to the comments made by the representative of India about the proportion of the Agency's technical co-operation programmes which was accounted for by projects relating to nuclear power and the nuclear fuel cycle, he said that those programmes were essentially a response to requests made by Member States; there had simply been a decline in the number of requests for projects relating to nuclear power and the nuclear fuel cycle. Operative subparagraph 3(b) did not reflect the interests of the vast majority of recipient Member States as evidenced by project requests.

104. He proposed that: in preambular paragraph (k) the phrase "to implement the Technical Co-operation Strategy (GOV/INF/824), including an emphasis on sustainable development and improved project design and evaluation" be added after "document GC(42)/INF/4"; the words "and, in this regard, expresses appreciation to the Secretariat for elaboration of the Technical Co-operation Strategy" be added at the end of operative paragraph 1; in operative paragraph 2 the phrase "undertake discussions at an appropriate time" be substituted for "continue further negotiations" and the phrase "with a perspective of increase" be deleted. He also proposed the insertion of an operative paragraph 3 reading as follows: "Urges all Member States to make every effort to pay in full and on time their contributions to the Technical Co-operation Fund, as well as to pay Assessed Programme Costs".

105. The CHAIRMAN suggested that any further proposals for amendments to the draft resolution be submitted in writing to the Secretariat.

The meeting rose at 1 p.m.

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FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE THIRD MEETING

Held at the Austria Center Vienna
on Wednesday, 23 September 1998, at 3.10 p.m.

Chairman: Mr. JOSEPH (Australia)

CONTENTS

Item of the agenda*		Paragraphs
12	Measures to strengthen international co-operation in nuclear, radiation and waste safety (resumed)	1 - 12
14	Plan for producing potable water economically	13 - 38
15	Strengthening the effectiveness and improving the efficiency of the safeguards system and application of the Model Protocol	39 - 44
16	Measures against illicit trafficking in nuclear materials and other radioactive sources	45 - 51
17	Article VI of the Statute	52 - 59

[*] GC(42)/20.

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The composition of delegations attending the session is given in document GC(42)/INF/13/Rev.3.

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Abbreviations used in this record

INDAG	International Nuclear Desalination Advisory Group
MW	megawatt
SMR	Small and medium-sized reactors

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY (resumed)

1. The CHAIRMAN invited the representative of Argentina to introduce the modified version of the draft resolution in document GC(42)/COM.5/8 which had been circulated.

2. Mr. BENINSON (Argentina) said the draft resolution had been modified in order to avoid duplication with the draft resolution in document GC(42)/COM.5/6 ("Measures against illicit trafficking in nuclear materials and other radioactive sources"); the deletions suggested by the representative of Canada during the previous meeting had been made. Also, operative paragraph 1 had been converted into a preambular paragraph - with consequential renumbering of the other operative paragraphs. In addition, as suggested by the representative of Australia, "to explore" in old operative paragraph 4 (new operative paragraph 3) had been replaced by "to prepare for the consideration of the Board of Governors a report on".

3. The CHAIRMAN suggested that "response to" in new operative paragraph 4 be replaced by "implementation of".

4. Mr. SHOAIB (Pakistan) suggested that "at its next" in the same paragraph be amended to read "at the next".

5. Mr. PAPADIMITROPOULOS (Greece) suggested deletion of the words "International Conference on" from the title of the draft resolution.

6. The Committee accepted the suggested changes.

7. Mr. DELACROIX (France) said it was his understanding that the report requested of the Secretariat would focus on the safety of radiation sources rather than the security of radioactive materials.

8. Mr. SABURIDO (Cuba), Mr. MCINTOSH (Australia), Ms. OK (Turkey), Mr. MULTONE (Switzerland) and Mr. CASTERTON (Canada) expressed support for the modified version of the draft resolution with the accepted changes.

9. The CHAIRMAN took it that the Committee wished to recommend to the General Conference that it adopt the modified version of the draft resolution contained in document GC(42)/COM.5/8 with the changes accepted during the discussion.

10. It was so agreed.

11. The CHAIRMAN also took it that the Committee wished to recommend to the General Conference that it take note of the information contained in documents GC(42)/INF/5 and GC(42)/INF/6 and Add.1.

12. It was so agreed.

PLAN FOR PRODUCING POTABLE WATER ECONOMICALLY
(GOV/1998/4-GC(42)/1, Rev.1 and Rev.1/Corr.1; GC(42)/COM.5/4)

13. Mr. CRONJE (South Africa), introducing the draft resolution in document GC(42)/COM.5/4 on behalf of the Group of 77, said that resolution GC(41)/RES/14 adopted at the previous session had served as a model. However, preambular paragraphs (g), (h), (i) and (j) and operative paragraphs 3, 4 and 8 were new.

14. Mr. DELACROIX (France) said that the nuclear desalination of sea water was an interesting option but raised a number of safety issues. In that connection, he proposed that operative paragraph 4 be amended to read "Urges the Director General to continue the Agency's work regarding the safety aspect of desalination using nuclear energy" and be moved up to become operative paragraph 3.

15. Mr. LIU Yongde (China) expressed appreciation of the Agency's activities relating to the desalination of sea water using nuclear energy.

16. As stated in paragraph 4 of document GC(42)/1/Rev.1, "[i]n China a feasibility study has been initiated for a heating reactor combined with a desalination unit that could produce 150 000 m^3/d of potable water" and a "feasibility study for a nuclear desalination plant in Morocco based on a 10 MW heating reactor from China will be completed this October. The site has been identified and economic assessments have been completed." Substantial human and financial resources had been invested in that Sino-Moroccan co-operation project.

17. Small and medium-sized reactors (SMRs) could be particularly useful for supplying power in countries and regions with low-capacity electricity grids and for non-power applications of nuclear energy such as seawater desalination and district heating. China would like to see joint efforts on the part of the Secretariat and Member States to increase the international financial and technical support for such uses of SMRs.

18. Mr. TITKOV (Russian Federation), having expressed support for the Agency's activities relating to the use of nuclear energy in seawater desalination, said that the Russian Federation had for some years been advocating the use, for seawater desalination, of floating power units based on ship reactors of tried and tested design. A decision had recently been taken to build such a floating power unit near the Russian town of Pevek, to supply heat and electricity to northern Siberia, and a similar facility was planned for the eastern part of the Russian Federation.

19. Thus, the Russian Federation was moving from the design to the construction of floating power units and was prepared to build such facilities for interested foreign partners under "build-own-operate" arrangements whereby the Russian contractor would meet all construction and operating costs; the foreign partner would merely have to identify an appropriate site and undertake to purchase the energy produced during the period of the contract.

20. Design refinements would be necessary before the conclusion of contracts. Such refinements could be made on the basis of bilateral discussions with the potential foreign partners, but the Russian Federation was very keen that the Agency participate. That would benefit not only the parties directly concerned, but also the Agency, since it would be involved in a promising new form of international co-operation.

21. Mr. TOWLER (United Kingdom) suggested that the word "regularly" be deleted from operative paragraph 7 of the draft resolution in document GC(42)/COM.5/4.

22. Mr. RAGHURAMAN (India) said that his country had long been participating in Agency activities relating to nuclear desalination, including activities connected with the launching of a nuclear desalination demonstration project, the co-ordinated research project on "Optimization of the Coupling of Nuclear Reactors and Desalination Systems" and the preparation of the Guidebook on Introduction of Nuclear Desalination.

23. India had been engaged for many years in research and development work on the desalination of sea water and brackish water and had developed successful multi-stage flash evaporation and reverse osmosis technologies. Pilot plants using both technologies were in operation and valuable experience had been gained. It was now proposed to set up a 6300 m^3/d hybrid multi-stage flash/reverse osmosis demonstration plant at Madras Atomic Power Station. Experience in operating that plant would be shared with interested Member States.

24. India, which agreed with INDAG that there was a "need for international co-operation in the planning and implementation of nuclear desalination demonstration programmes" and that the Agency "should provide an international forum for coordination and sharing of resources", would continue to participate in the Agency's nuclear desalination-related activities.

25. As stated in paragraph 12 of document GC(42)/1/Rev.1, SMRs were "a suitable option for electricity generation in countries with small electricity grids or for remotely located areas." Unfortunately, the resources allocated within the Agency for SMR-related activities were very modest - a situation that should be rectified. At all events, India was grateful to the five Member States which had been providing extrabudgetary financial support for those activities.

26. Mr. BOURITA (Morocco) said that the problem of water scarcity had escalated to such an extent that it might well soon pose a threat to international peace and security. The problem was particularly serious in regions such as the Middle East and North Africa, where political tensions already existed; the approximately 6% of the world's population living in those regions had access to less than 1% of the world's water resources. The Agency had a very important role to play in dealing with that problem.

27. Referring to the feasibility study "for a nuclear desalination plant in Morocco based on a 10 MW heating reactor from China" mentioned in paragraph 4 of document GC(42)/1/Rev.1, he said that his country was very satisfied with progress to date.

28. Having expressed support for the amendment to the draft resolution in document GC(42)/COM.5/4 proposed by the representative of France, he proposed the inclusion of the phrase "particularly through the desalination of sea water" at the end of preambular paragraph (f).

29. Ms. OK (Turkey) expressed support for the draft resolution with the addition proposed by the representative of Morocco.

30. Mr. MCINTOSH (Australia) suggested that, given the need to streamline the work of the General Conference, the agenda item "Plan for producing potable water economically" be considered only every second year in future.

31. Mr. CASTERTON (Canada), having expressed support for Agency activities relating to nuclear desalination and SMRs, said that his delegation could go along with the draft resolution as it stood. At the same time, his delegation was attracted by the suggestion just made by the representative of Australia.

32. Mr. PAPADIMITROPOULOS (Greece) proposed amending the phrase "the safety aspect" in operative paragraph 4 of the draft resolution to read "the safety and security aspects".

33. Mr. RAGHURAMAN (India), referring to the observations made by the representatives of Australia and Canada about the possible "biennialization" of the agenda item under consideration, urged that the idea not be examined until the General Conference's next session.

34. Mr. BOURITA (Morocco) endorsed what had just been said by the representative of India.

35. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(42)/COM.5/4 with the phrase "particularly through the desalination of sea water" added at the end of preambular paragraph (f), with operative paragraph 4 amended to read "Urges the Director General to continue the Agency's work regarding the safety and security aspects of desalination using nuclear energy" and moved into the operative paragraph 3 position (with renumbering of the subsequent paragraphs) and with "regularly" deleted from operative paragraph 7.

36. It was so agreed.

37. The CHAIRMAN suggested that the Committee discuss at the General Conference's next session whether the agenda item "Plan for producing potable water economically" should thenceforth be considered on a biennial basis.

38. It was so agreed.

STRENGTHENING THE EFFECTIVENESS AND IMPROVING THE EFFICIENCY OF THE SAFEGUARDS SYSTEM AND APPLICATION OF THE MODEL PROTOCOL (GC(42)/12; GC(42)/COM.5/11)

39. Mr. KEMPEL (Austria), introducing the draft resolution contained in document GC(42)/COM.5/11, said that in preambular paragraph (f) "23 September 1998" should read "24 September 1998".

40. The CHAIRMAN suggested that "Model Protocol" be amended to "Model Additional Protocol" wherever it occurred in the text of the draft resolution.

41. Mr. KEMPEL (Austria) said he believed that the Chairman's suggestion would be acceptable to all the co-authors.

42. Mr. RAGHURAMAN (India) requested that further consideration of the draft resolution be deferred until delegations had had more time in which to compare it with the corresponding resolution adopted by the General Conference at its forty-first session (GC(41)/RES/16). A cursory comparison had revealed that the words "without delay as far as available resources permit" in operative paragraph 1 of resolution GC(41)/RES/16 did not appear in operative paragraph 1 of the draft resolution under consideration. His delegation would like to see at least "as far as available resources permit" included in the draft resolution.

43. The CHAIRMAN said that the request made by the representative of India was a reasonable one and suggested that the Committee revert to the agenda item under consideration at its next meeting.

44. It was so decided.

MEASURES AGAINST ILLICIT TRAFFICKING IN NUCLEAR MATERIALS AND OTHER RADIOACTIVE SOURCES (GC(42)/17; GC(42)/COM.5/6)

45. Mr. KEMPEL (Austria), having introduced the draft resolution contained in document GC(42)/COM.5/6, suggested - in response to a request for a clarification from Mr. TITKOV (Russian Federation) - that operative paragraph 4 be amended to read "Invites the Director General to submit a report to the Board of Governors on possibilities of enhancing co-operation in this field".

46. Ms. OK (Turkey) said that, in view of the relationship between illicit trafficking in nuclear materials and acts of nuclear terrorism, reference should be made in the draft resolution to the fact that the United Nations General Assembly had undertaken the elaboration of an international convention on the suppression of acts of nuclear terrorism.

The meeting was suspended at 4.50 p.m. and resumed at 5.15 p.m.

47. Mr. KEMPEL (Austria) said that, in informal consultations on the point raised by the delegate of Turkey, agreement had been reached on the addition of a preambular paragraph and an operative paragraph to the draft resolution, as follows:

- "(f) Noting that the UN General Assembly has undertaken the elaboration of an international convention on the suppression of acts of nuclear terrorism (UNGA resolution 51/210 of 17 December 1996)";

- "7. Requests the Director General to bring the present resolution to the attention of the UN General Assembly and invites the UN General Assembly, in elaborating the above-mentioned convention, to bear in mind the Agency's activities in preventing and combating illicit trafficking in nuclear materials and other radioactive sources".

48. Ms. OK (Turkey) said that, although Turkey was not satisfied with the Agency activities directed against illicit trafficking, her delegation could accept the draft resolution as amended.

49. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(42)/COM.5/6 with the suggested amendment to operative paragraph 4 and the inclusion of the additional preambular paragraph and additional operative paragraph just read out by the representative of Austria.

50. It was so agreed.

51. Mr. JOHNSON (Director, Legal Division), welcoming the two additional paragraphs, said it was important that "the Agency's activities in preventing and combating illicit trafficking" be borne in mind by the General Assembly.

ARTICLE VI OF THE STATUTE
(GC(42)/19 and Add.1)

52. Mr. IKEDA (Japan), speaking as Chairman of the Board of Governors and introducing the Board report contained in document GC(42)/19, said that during the past year he had conducted intensive consultations on the Article VI issue and that, as a result, the matters to be addressed by the General Conference had been narrowed down to (i) the extent of a Board expansion, (ii) the composition of regional groups and (iii) the criteria for designation. He hoped that the Committee would focus on those matters.

53. Mr. BENMOUSSA (Morocco), recalling that in resolution GC(41)/RES/20 the General Conference had in 1997 called for the submission by the Board of a "finalized formula" for approval by it at its 1998 session, said that during the past year the Board had been blessed with a Chairman - Ambassador Ikeda of Japan - who had displayed unparalleled patience in his untiring efforts to arrive at a "finalized formula".

54. Of the three matters referred to by Ambassador Ikeda, that of the criteria for designation was far from insoluble; however, it should perhaps be placed in "cold storage" for a while. Also, he could envisage a solution being found to the matter of the extent of a Board expansion; for example, the African Group, which had a legitimate claim to an additional seat, might settle for two-thirds of a seat. The really intractable matter was that of the composition of regional groups, where the stumbling-block was the idea that Israel and a number of Arab States should be members of the same regional group.

55. In his delegation's view, the key to progress lay in tackling the three matters separately. Moreover, progress would be facilitated if everyone bore in mind (i) the distinction between, on one hand, the geographical areas referred to in the Statute and, on the other, the political groupings which had come into being within the Agency, and (ii) the fact that, although the Secretariat compiled - for its internal use - informal lists with all Member States assigned to one geographical area or another, there was no need for Member States to have official versions of those lists.

56. He believed that the formal proposal for amending Article VI which had been made by Japan (and which was reproduced in Annex 1 to document GC(42)/19) could - once suitably modified - provide a solution.

57. Perhaps Mr. Stratford (United States of America), Chairman of the Committee of the Whole at the General Conference's previous session, could join forces with Ambassador Ikeda in guiding the Committee's efforts to arrive at a consensus on an issue which had plagued the Agency for far too long.

58. Mr. KEMPEL (Austria), speaking on behalf of the European Union and associated States, said that a solution would not be found simply by suitably modifying the formal proposal made by Japan. Quite apart from the question of what constituted a suitable modification, the European Union considered that the matter of the extent of a Board expansion could not be divorced from that of the composition of regional groups and that of the criteria for designation.

59. The European Union's position was that true progress could be achieved only if all three matters referred to by Ambassador Ikeda were resolved at the same time.

The meeting rose at 6 p.m.

GC

GC(42)/COM.5/OR.4
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FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE FOURTH MEETING

Held at the Austria Center, Vienna,
on Thursday, 24 September 1998, at 10.40 a.m.

Chairman: Mr. JOSEPH (Australia)

CONTENTS

Item of the agenda*		Paragraphs
15	Strengthening the effectiveness and improving the efficiency of the safeguards system and application of the Model Protocol (resumed)	1 - 4
12	Measures to strengthen international co-operation in nuclear, radiation and waste safety (resumed)	5 - 9
17	Article VI of the Statute (resumed)	10 - 28
13	Strengthening the Agency's technical co-operation activities (resumed)	29 - 67

[*] GC(42)/20.

The composition of delegations attending the session is given in document GC(42)/INF/13/Rev.3.

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98-03424 (XXXVII)

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Abbreviations used in this record

ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
MESA	Middle East and South Asia
SMR	Small and medium-sized reactors
TCF	Technical Co-operation Fund

STRENGTHENING THE EFFECTIVENESS AND IMPROVING THE EFFICIENCY OF THE SAFEGUARDS SYSTEM AND APPLICATION OF THE MODEL PROTOCOL (resumed)
(GC(42)/12; GC(42)/COM.5/11)

1. Mr. KEMPEL (Austria) said that, in response to comments made by the representative of India during the previous meeting, the co-authors of the draft resolution in document GC(42)/COM.5/11 agreed to the addition of the phrase "without delay as far as the available resources permit" at the end of operative paragraph 1.

2. Mr. RAGHURAMAN (India) said that his delegation could go along with the addition of that phrase.

3. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in GC(42)/COM.5/11 with "23" amended to "24" in preambular paragraph (f), with the addition of the phrase "without delay as far as the available resources permit" and with "Model Protocol" amended to "Model Additional Protocol" throughout the text.

4. It was so agreed.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY (resumed)
(GC(42)/COM.5/5)

5. Mr. MCINTOSH (Australia) said that informal consultations on the draft resolution in document (GC(42)/COM.5/5 ("Safety of transport of radioactive materials") had not resulted in consensus.

6. Mr. STRATFORD (United States of America) said that many delegations, including his own, could accept most of the draft resolution. The problem lay for the United States in operative paragraph 2, which in its view would initiate a process whereby the Agency would acquire a regulatory role. The international regulators in the transport area were IMO and ICAO, and the United States abided by their regulations.

7. One question which had arisen was how shipping States could provide assurances that their regulatory structures met international standards to potentially affected States. His suggestion had been that there be added to the draft resolution a preambular paragraph whereby the General Conference would recognize that some States had concerns that regulatory structures in shipping States might not meet international standards and of an operative paragraph whereby the Conference would invite shipping States to provide appropriate assurances to such States, including any appropriate technical information that might be helpful. The United States provided such assurances on a bilateral basis and had encountered no problem in doing so.

8. Ms. OK (Turkey) said that her delegation would agree to participate in further informal consultations if Mr. McIntosh of Australia would agree to chair them.

9. It was agreed that further informal consultations should take place under the chairmanship of Mr. McIntosh and with members of the Legal Division and the Department of Nuclear Safety present.

ARTICLE VI OF THE STATUTE (resumed)
(GC(42)/19 and Add. 1)

10. The CHAIRMAN, inviting the Committee to resume its consideration of the agenda item "Article VI of the Statute", suggested that in due course - after the Chairman of the Board of Governors, Ambassador Ikeda, had held informal consultations and reported back - it might agree on the text of a statement which the President of the Conference could read out in Plenary.

11. Mr. RAGHURAMAN (India), speaking for the MESA Group, said that it was inappropriate to link the matter of the composition of regional groups to that of the extent of a Board expansion. Responsibility for the composition of any given regional group lay primarily with the members of that group. As far as the MESA Group was concerned, there was at present no justification for changing its composition.

12. Mr. BENMOUSSA (Morocco), having endorsed the statement made on behalf of the MESA Group, said that it was important not to link the question of geographical location - a purely factual matter - with that of membership of a regional group - much more of a political matter.

13. Under the Statute, a country could become a Board member without belonging to a regional group. Thus, Israel did not need to belong to the MESA Group, which was entitled to be master of its own composition.

14. The entire problem stemmed from Israel's desire to join the MESA Group, which was out of the question given the present situation in the Middle East.

15. Mr. ABDULAATI (Libyan Arab Jamahiriya) said that the expansion of the Board was an urgent issue. The number of African Member States of the Agency had grown considerably in recent years, and the Board's composition should reflect that fact; the number of seats allocated to Africa should be increased to seven.

16. As regards the matter of the composition of the MESA Group, it was a political one which could be settled only when there was peace in the Middle East region.

17. Linking the matter of an expansion of the Board to that of the composition of regional groups was delaying an increase in the number of seats for Africa, and the Africa Group was strongly opposed to such a linkage.

18. Mr. YAMANAKA (Japan) said that he was somewhat discouraged by the statements being made in the Committee. In paragraph 14 of the Board's report to the General Conference, there was talk of consultations being intensified with a view to resolving the outstanding issues at the Conference's current session. Despite intensified consultations, the same old positions were now being taken and it was still unclear how progress might best be made.

19. The Committee's Chairman had suggested that the Chairman of the Board, Ambassador Ikeda, hold informal consultations and report back to the Committee. His delegation wondered whether that would be really worthwhile at the present juncture.

20. Mr. UMER (Pakistan) said he well understood the discouragement expressed by the representative of Japan, but he believed that the Chairman of the Board should conduct informal consultations in a final effort to arrive at a solution.

21. Mr. BENMOUSSA (Morocco) said the viewpoint of the representative of Japan was not necessarily that of the Chairman of the Board, who had displayed exceptional impartiality.

22. Ms. SAYAF (Syrian Arab Republic), recalling that in resolution GC(39)/RES/22 the General Conference had in 1995 emphasized that "the primary responsibility for deciding upon the composition of regional groups lies with the respective groups themselves", said that Israel's inclusion in the MESA Group would not be an appropriate solution to the problem under consideration. The interests of all Member States, not just one, must be borne in mind.

23. Mr. Dong-Hee CHANG (Republic of Korea), having commended the Chairman of the Board of Governors on his efforts to resolve a long-standing problem, said it was regrettable that, despite those efforts, the Board had been unable to agree on an amendment of Article VI. In his delegation's view, the proposal by the Chairman of the Board spelled out in paragraph 13 of the Board's report represented the best way of resolving the problem.

24. His delegation hoped that the informal consultations which Ambassador Ikeda of Japan was apparently ready to hold would bear fruit.

25. Mr. IKEDA (Japan), speaking as Chairman of the Board of Governors, said that informal consultations would be meaningless in the absence of a political will on the part of the participants to resolve the Article VI issue. If the Committee so desired, however, he would conduct informal consultations - first with individual Member States and then, if it appeared useful, with all interested Member States in an open-ended group.

26. The CHAIRMAN suggested that the Chairman of the Board of Governors be given the rest of the day for informal consultations. He could report to the Committee on the results either directly or through him, the Committee's Chairman.

27. It was so agreed.

28. Mr. UMER (Pakistan) said that if no useful results emerged, the General Conference should give the Board of Governors a clear mandate to pursue the issue vigorously in the coming year.

STRENGTHENING OF THE AGENCY'S TECHNICAL CO-OPERATION ACTIVITIES (GC(42)/COM.5/3/Rev.1)

29. Mr. CRONJE (South Africa), introducing the draft resolution in document GC(42)/COM.5/3/Rev.1, said that it reflected proposals for amendment made by a number of delegations - orally and in writing. Most of the proposals made had been accepted by the Group of 77 and were reflected in the revised draft resolution.

30. Mr. KEMPEL (Austria) said his delegation could not accept preambular paragraph (f), which linked two issues that had no cause to be linked: "the great potential of nuclear power for meeting energy requirements" and "the need to protect the environment".

31. Mr. MOONEY (Ireland) suggested that the phrase "the great potential of nuclear power" be replaced by "the desire of many countries to develop nuclear power".

32. Mr. WØHLK (Denmark) endorsed what had been said by the representatives of Austria and Ireland.

33. Mr. RAGHURAMAN (India) suggested as an alternative that the words "in many countries" be inserted after "the great potential of nuclear power".

34. Mr. CRONJE (South Africa) said he would consult with other members of the Group of 77 and propose a revised version of preambular paragraph (f).

35. Mr. STRATFORD (United States of America), referring to operative paragraph 2, suggested that the words "at an appropriate time" be added after "to resume discussions among Member States" in order to make it clear that it would be for the Board to decide when to resume discussions.

36. Mr. CASTERTON (Canada), having endorsed that suggestion, proposed deletion of the words "with a perspective of increase" and the addition of a preambular paragraph reading "Recalling that in the report of the Informal Working Group on the Financing of Technical Assistance (GOV/1998/38) it is noted that there will be a perspective of an increase as compared with the 1999-2000 biennium,".

37. Mr. IKEDA (Japan) and Mr. PECSTEEN (Belgium) supported that proposal.

38. Mr. CASTERTON (Canada), referring to operative paragraph 3, suggested that the phrase ", in particular major donors," be deleted and that a phrase on the lines of "to pay their full target shares" be included.

39. Mr. MCINTOSH (Australia) supported those suggestions.

40. Mr. TOWLER (United Kingdom) said that, for national budget cycle reasons, his country was unable to pledge TCF contributions; it contributed without making any pledges beforehand. His delegation would therefore like to see the word "pledged" in operative paragraph 3 deleted.

41. Mr. RUIZ RODRIGUEZ (Spain), supported by Mr. PECSTEEN (Belgium) and Mr. DI SAPIA (Italy), suggested that "pledged" be replaced by "voluntary".

42. Mr. FRASK LUCERO (Brazil) suggested that the Committee adopt the wording proposed the previous day by the United States representative: "... to pay in full and on time their contributions to the Technical Co-operation Fund".

43. Mr. MCINTOSH (Australia) said that Member States should be urged not merely to pay "their contributions" but to pay specific TCF target shares.

44. Mr. IKEDA (Japan), having expressed support for the deletion of ", in particular major donors," and for wording on the lines of "their TCF target shares", said that the end of operative paragraph 3 should read something like "... and urges concerned Member States to pay assessed programme costs".

45. Mr. CRONJE (South Africa) said that the question of the payment of assessed programme costs should perhaps be covered in a separate paragraph. He requested time to consult on the various comments made about the wording of operative paragraph 3.

46. Mr. STRATFORD (United States of America), referring to operative paragraph 4, said that, while he fully endorsed the substance of the paragraph, he considered it too long. He suggested that the whole of the text following "in the 21st century" be deleted.

47. Mr. WØHLK (Denmark) said that his country, although so far always paying its TCF target shares in full and on time, had decided not to base its electricity production on nuclear power. In Denmark's view it had never been a task of the Agency to promote the use of nuclear power, and his delegation was therefore unable to accept the wording of operative paragraph 4, even with the deletion suggested by the United States representative. It would like a formulation very similar to that of operative paragraph 3 of resolution GC(41)/RES/13 adopted the previous year.

48. Mr. FRANCK (Luxembourg), endorsing the views expressed by the delegate of Denmark, said that Luxembourg did not as yet contribute to the TCF since its Government considered that the Agency should not provide technical assistance in support of the development of nuclear power programmes.

49. If the draft resolution was adopted with operative paragraph 4 as it stood, Luxembourg would be less likely to start contributing to the TCF in the future.

50. Mr. TOWLER (United Kingdom) said he was somewhat puzzled by the comments made by the two previous speakers: Article III.A.2 of the Statute stated that one of

the Agency's functions was "To make provision ... for materials, services, equipment, and facilities to meet the needs of research on, and development and practical application of, atomic energy for peaceful purposes, including the production of electric power".

51. Mr. FRANCK (Luxembourg) said that in his delegation's view a distinction should be made between, on one hand, promoting nuclear power and, on the other, providing requested assistance to countries which had made a sovereign decision in favour of the nuclear power option. The Agency should not be in the business of promoting nuclear power.

52. Mr. KEMPEL (Austria) proposed reverting to the wording of operative paragraph 3 of resolution GC(41)/RES/13; that might be a compromise acceptable to all.

53. Mr. MOONEY (Ireland) said that, like Denmark and Luxembourg, his country had renounced the use of nuclear power. His delegation would therefore like operative paragraph 4 - or at least part (b) - to be deleted.

54. Mr. STRATFORD (United States of America), endorsing the United Kingdom representative's comment, recalled that the Committee had earlier agreed to recommend the adoption of a draft resolution ("Plan for producing potable water economically") in which considerable emphasis was placed on SMR development.

55. Perhaps it would help delegations like those of Denmark, Ireland and Luxembourg if the reference to "nuclear energy" in operative paragraph 4 was not highlighted in a separate subparagraph.

56. Mr. RAGHURAMAN (India), referring to the suggestion made by the representative of Spain and the statement made by the representative of Luxembourg, said that in his delegation's view, once the General Conference had set a TCF target for the following year, Member States had a moral obligation to pay their TCF target shares; contributions to the TCF should not be regarded as "voluntary".

57. Mr. FRASK LUCERO (Brazil), welcoming the reference made by the United Kingdom representative to Article III.A.2 of the Statute, said that his delegation would like the wording of operative paragraph 4 to be kept unchanged.

58. Mr. UMER (Pakistan), also welcoming the reference which had been made to Article III.A.2 of the Statute, suggested that some of the wording of Article III.A.2 be incorporated into operative paragraph 4.

59. Mr. ÖZERDEN (Turkey) said that his delegation would like the draft resolution to emphasize the importance of "the production of electric power" by means of nuclear energy.

60. Mr. CASTERTON (Canada), expressing support for the idea just put forward by the United States representative regarding the reference to "nuclear energy", said that, if that suggestion was not acceptable to some delegations, the Committee should perhaps consider reverting to the wording of operative paragraph 3 of resolution GC(41)/RES/13.

61. Mr. BORCHARD (Germany) said that in his delegation's view the Committee should indeed revert to the wording of that paragraph.

62. Mr. MULTONE (Switzerland), welcoming the reference which had been made to Article III.2.A of the Statute, expressed support for the idea put forward by the United States representative.

63. Mr. DI SAPIA (Italy) said that the position of his country was similar to Denmark's position; Italy would have greater difficulty in contributing to the TCF if there was increased emphasis on the promotion of nuclear power in General Conference resolutions.

64. Mr. HERRERA ANDRADE (Mexico), having thanked the Group of 77 for producing a revised version of the resolution text which had been submitted in document GC(42)/COM/5/3, said that, as he saw it, the emphasis in part (b) of operative paragraph 4 was not on the promotion of nuclear power among countries which had not yet opted for nuclear power, but rather on assisting those developing countries which had already opted for it.

65. Mr. UMER (Pakistan) said that his delegation would like to see an explicit reference to nuclear power in the draft resolution. It had the feeling that the role of nuclear power was being de-emphasized within the Agency, as part of a conspiracy to keep developing countries in their place.

66. The CHAIRMAN, responding to the comments made by the Ambassador of Pakistan, said that the previous Director General, Mr. Blix, had extolled the virtues of nuclear power at every opportunity.

67. Mr. MCINTOSH (Australia) said that in his delegation's view it was not necessary to spell out in the draft resolution exactly what actions needed to be taken by the Department of Technical Co-operation in the field of nuclear power. The Department was already aware of Member States' feelings as to what its priorities should be.

The meeting rose at 1 p.m.

GC

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Original: ENGLISH

FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE FIFTH MEETING

Held at the Austria Center, Vienna,
on Thursday, 24 September 1998, at 3.30 p.m.

Chairman: Mr. JOSEPH (Australia)
Later: Mr. UMER (Pakistan)

CONTENTS

Item of the agenda*		Paragraphs
12	Measures to strengthen international co-operation in nuclear, radiation and waste safety (resumed)	1 - 12
13	Strengthening of the Agency's technical co-operation activities (resumed)	13 - 49

[*] GC(42)/20.

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98-03430 (XXXVII)

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Abbreviations used in this record

TCF	Technical Co-operation Fund

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY (resumed)
(GC(42)/INF/3 and GC(42)/COM.5/10/Rev.1; GC(42)/COM.5/5/Rev.1)

1. Mr. BOBADILLA LÓPEZ (Chile), introducing the draft resolution contained in document GC(42)/COM.5/10/Rev.1, said that the conclusions of the Study of the Radiological Situation at the Atolls of Mururoa and Fangataufa were of great importance for many countries, including Chile.

2. The Study had been conducted in a highly professional manner and could serve as a model for similar exercises. The conclusions of the Study, endorsed recently at the Agency-organized International Conference on the Radiological Situation at the Atolls of Mururoa and Fangataufa, were encouraging, but they could in no way be taken as justifying the conduct of nuclear weapons tests in any part of the world.

3. Mr. BENINSON (Argentina), commending the Secretariat for one of the best environmental studies of its kind ever carried out, said that its high quality had been due very largely to the work of Dr. Robert Fry of Australia.

4. The CHAIRMAN suggested that the fourth operative paragraph be amended to read "Requests the Director General to report to it, as appropriate, on apposite developments in this area" and took it that the Committee wished to recommend the draft resolution, as amended, to the General Conference for adoption.

5. It was so agreed.

6. Mr. MCINTOSH (Australia) said that the text of the draft resolution on the "Safety of transport of radioactive materials" contained in document GC(42)/COM.5/5/Rev.1 had been agreed upon *ad referendum* during further informal consultations.

7. Mr. ARAR (Turkey), expressing gratitude to colleagues from other delegations for their constructive contributions during the informal consultations, said he hoped that the revised text would finally attract a consensus.

8. He had one minor amendment to propose - the insertion of "also" after "Noting" in preambular paragraph (h).

9. Mr. TOWLER (United Kingdom) thanked the co-authors of the draft resolution for taking account of the concerns of major shipping States.

10. Mr. DELACROIX (France) said that the informal consultations had taken place in a very constructive atmosphere, producing a generally acceptable result.

11. Mr. TITKOV (Russian Federation), recalling that agreement in the informal consultations had been reached *ad referendum*, said that his delegation would seek instructions immediately.

12. The CHAIRMAN said that the Committee would revert to the draft resolution at its next meeting.

STRENGTHENING OF THE AGENCY'S TECHNICAL CO-OPERATION ACTIVITIES (resumed)
(GC(42)/COM.5/3/Rev.2)

13. The CHAIRMAN, drawing the Committee's attention to the revised draft resolution in document GC(42)/COM.5/3/Rev.2, said that it had been prepared after the conclusion of the Committee's previous meeting.

14. Mr. MCINTOSH (Australia), referring to operative paragraph 7, said that regional centres of excellence might be identified in Member States that were not developing countries. He therefore proposed that the phrase ", in developing Member States," be deleted.

15. Mr. CRONJE (South Africa) said he believed that the Group of 77 could agree to the deletion of that phrase.

16. He in turn wished to propose the replacement of "for enhancing" by "in the context of enhancing" and the deletion of "and scientific" (so that operative paragraph 7 would end "... in the context of enhancing Technical Co-operation among Developing Countries").

17. Referring to preambular paragraph (f), he said that the Group of 77 had in a spirit of compromise agreed to delete the reference, in the text contained in document GC(42)/COM.5/3/Rev.1, to "the Kyoto Conference on Climate Change" and to use the wording of the preambular paragraph of resolution GC(41)/RES/13.

18. Mr. CASTERTON (Canada) proposed replacing "will" by "would" in preambular paragraph (i).

19. Mr. MCINTOSH (Australia) proposed that in preambular paragraph (i) the phrase "in target figures for the 2001-2002 biennium" be inserted after "an increase".

20. The CHAIRMAN, assuming that that proposal was acceptable, proposed that the phrase "for 2001-2002" be added at the end of operative paragraph 2".

21. Mr. CRONJE (South Africa) said he thought the proposals made by the representatives of Canada and Australia and by the Chairman would be acceptable to the Group of 77.

22. Commenting on operative paragraph 3, he pointed out that the phrase ", in particular major donors," - which had appeared in the first revised version of the draft resolution - had been deleted. The reference to assessed programme costs had also been deleted, in the light of consultations with the Secretariat, which had indicated that the payment of assessed programme costs was obligatory under the Agency's Financial Regulations.

23. Mr. BORCHARD (Germany), supported by Mr. PETROV (Bulgaria), said that his delegation would like to see the word "voluntary" before "contributions" in operative paragraph 3.

24. Mr. TOWLER (United Kingdom) said that, if the payment of assessed programme costs was an obligation, he would like to see something along the lines of "and reminds all Member States of their obligation to pay their assessed programme costs" added to operative paragraph 3.

25. Mr. PECSTEEN (Belgium), having endorsed what had been said by the representative of Germany, suggested that TCF contributions and assessed programme costs be dealt with in separate paragraphs - payment of the latter was obligatory, whereas payment of the former was voluntary.

26. Mr. YAMANAKA (Japan) and Mr. GOLDMAN (United States of America) expressed support for what had been said made by the representative of the United Kingdom.

27. Mr. MCINTOSH (Australia), referring to what had been said by the representative of Germany, said that in his view the phrase "to make every effort" was sufficient indication that TCF contributions were voluntary.

28. Mr. DUFVA (Sweden) said that the Swedish Parliament had declared that nuclear power was not a sustainable or environmentally safe energy source. Thus, his delegation was unhappy about preambular paragraph (f) and operative paragraph 4, which implied that the introduction of nuclear power was a solution to the problem of climate change.

29. Mr. SARWAT (Egypt) said that in his view it would be better to leave the word "contributions" in operative paragraph 3 unqualified - simply to say "their contributions".

30. As the reference to major donors had been removed from operative paragraph 3, it seemed only fair that there should be no reference to recipient countries through the mention of assessed programme costs.

31. Mr. CRONJE (South Africa) said that in his view the Group of 77 could accept the addition to operative paragraph 3 envisaged by the United Kingdom representative, but only if absolutely necessary. He did not think there was any need to qualify "contributions".

32. Mr. ZHENG Kemin (China) said his delegation could accept the revised version of operative paragraph 4, which accorded well with the urgent need of China - and several other developing countries - for nuclear power.

33. Mr. FRANCK (Luxembourg) said that there was a need to ensure Agency technical assistance financing on as universal a basis as possible and his country did not want to stand in the way of any country asking for Agency technical assistance with its nuclear power programme. The Luxembourg authorities would examine the text of the resolution as

adopted very carefully before making a commitment vis-à-vis the TCF, however, and he feared that the current language of operative paragraph 4 might present some problems.

34. Mr. KEMPEL (Austria) said he agreed with the representative of China that for a number of developing countries the nuclear power option was extremely important. In his view, the interests of such countries would be accommodated if the last part of operative paragraph 4 read "... by continuing to assist them in their peaceful applications of atomic energy and nuclear techniques in the fields of agriculture, medicine, nuclear energy production, industry, water resource management, environment etc.;".

35. Mr. GOLDMAN (United States of America) and Mr. DI SAPIA (Italy) expressed support for that wording.

36. Mr. RAGHURAMAN (India) Mr. ZHENG Kemin (China), Mr. FRASK LUCERO (Brazil) and Mr. SHOAIB (Pakistan) said that they would prefer it if operative paragraph 4 was left unchanged.

Mr. Umer (Pakistan) took the Chair.

37. The CHAIRMAN asked whether the Committee was happy to replace "encourage" with "assist them in their" and to leave the rest of operative paragraph 4 as it stood.

38. Mr. FRASK LUCERO (Brazil) and Mr. RAGHURAMAN (India) said that their delegations were.

39. Mr. KEMPEL (Austria) said that the European Union delegations could not go along with subparagraph (b) as it stood.

40. Mr. SHOAIB (Pakistan) urged that subparagraph (b) be left unchanged.

41. Mr. WILKE (Netherlands) said that the simplest solution might be to delete the word "important" in subparagraph (b).

42. Mr. KEMPEL (Austria) said that he was not happy with that solution.

43. Mr. MOONEY (Ireland) said that his delegation would really like sub-paragraphs (a) and (b) to be deleted altogether, so that operative paragraph 4 ended with the words "countries concerned".

44. Mr. MCINTOSH (Australia) said that for many States nuclear power would not be "an important component of the energy mix for the 21st century" and that for many others it would have no role to play at all. What seemed to be needed was wording which reflected the fact that nuclear power would be important only for some States.

45. Mr. CRONJE (South Africa) proposed that subparagraph (b) be amended to read "nuclear energy production for those States pursuing it as a component of the energy mix in the 21st century ...".

46. Mr. KEMPEL (Austria) said that the European Union could accept that wording.

47. Mr. MOONEY (Ireland) said that his delegation would like to reserve its position on the draft resolution pending consultations with its Government.

48. The CHAIRMAN said he took it that, subject to the position of the delegation of Ireland, the Committee wished to recommend to the General Conference that it adopt the draft resolution in document GC(42)/COM.5/3/Rev.2 with the following amendments: the addition of ", recalling that the Board of Governors approved recommendations to that effect as contained in document GOV/1998/36" in preambular paragraph (g); the replacement of "will" by "would" and the addition of "in the target figures for the 2001-2002 biennium" after "an increase" in preambular paragraph (i); the addition of "for 2001-2002" at the end of operative paragraph 2; the addition of "and reminds Member States of their obligation to pay their assessed programme costs" at the end of operative paragraph 3; the replacement of "encourage" by "assist them in their" and of "nuclear energy as an important component" by "nuclear energy production for those States pursuing it as a component" in operative paragraph 4; and the deletion of ", in developing Member States," and the replacement of "for enhancing technical and scientific co-operation among developing countries" by "in the context of enhancing Technical Co-operation among Developing Countries" in operative paragraph 7.

49. The Committee would revert to the matter at the beginning of its next meeting.

The meeting rose at 5.30 p.m.

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FORTY-SECOND (1998) REGULAR SESSION

COMMITTEE OF THE WHOLE

RECORD OF THE SIXTH MEETING

Held at the Austria Center, Vienna,
on Friday, 25 September 1998, at 10.20 a.m.

Chairman: Mr. JOSEPH (Australia)

CONTENTS

Item of the agenda*		Paragraphs
13	Strengthening of the Agency's technical co-operation activities (continued)	1 - 4
12	Measures to strengthen international co-operation in nuclear, radiation and waste safety (resumed)	5 - 16
17	Article VI of the Statute (resumed)	17 - 20

[*] GC(42)/20.

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The composition of delegations attending the session is given in document GC(42)/INF/13/Rev.3.

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STRENGTHENING OF THE AGENCY'S TECHNICAL CO-OPERATION ACTIVITIES (continued)
(GC(42)/COM.5/3/Rev.2)

1. The CHAIRMAN invited the representative of Ireland to state his delegation's position with regard to the draft resolution in document GC(42)/COM.5/3/Rev.2.

2. Mr. MOONEY (Ireland) said that, in the interests of consensus on an issue that his Government found a difficult one, his delegation would agree to the text as amended during the previous meeting.

3. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution in document GC(42)/42 with the amendments spelled out by him at the end of the previous meeting.

4. It was so agreed.

MEASURES TO STRENGTHEN INTERNATIONAL CO-OPERATION IN NUCLEAR, RADIATION AND WASTE SAFETY (resumed)
(GC(42)/COM.5/5/Rev.1)

5. The CHAIRMAN invited the Committee to resume its consideration of the draft resolution on the "Safety of transport of radioactive materials" in document GC(42)/COM.5/5/Rev.1.

6. Mr. MCINTOSH (Australia) said that, following further consultations, he wished to propose that operative paragraph 2 be amended to read as follows: "Invites shipping States to provide, as appropriate, assurances to potentially affected States upon their request that their national regulations take into account the Agency's Transport Regulations and to provide them with relevant information relating to shipments of radioactive materials. The information provided should in no case be contradictory to the measures of physical security and safety;". The aim of the sentence "The information ... and safety." was to ensure that the physical protection and safety of shipments of nuclear materials were not compromised through the provision of information.

7. The CHAIRMAN proposed that the words "shipping States" be replaced by "States shipping radioactive materials".

8. Mr. SUSEANU (Romania) expressed support for the draft resolution with the proposed amendments.

9. Mr. MORTON (New Zealand) said that the draft resolution as amended did not satisfy his delegation entirely, but he would not oppose a consensus. New Zealand believed that the rights of coastal States were just as important as the rights of shipping States.

10. Mr. RYZHOV (Russian Federation) said that responsibility for the safe transport of radioactive materials lay exclusively with States. Consequently, it was for States to decide on the nature of their relevant transport regulations. His delegation would oppose any attempt to undermine that basic principle or to bring about de facto changes in - for example - the long-standing international rules governing maritime transport.

11. As regards operative paragraph 2 of the draft resolution under consideration, the danger of nuclear terrorism was growing. Highly radioactive materials could be used in nuclear terrorism, and the transport of such materials must therefore take place in conditions of secrecy. If information was disseminated about the timing or itinerary of shipments, it would be more difficult to ensure their physical security and safety. Operative paragraph 2 with the proposed amendments did not fully meet his country's concerns, but his delegation was prepared to go along with it and not oppose a consensus on the draft resolution.

12. Mr. NAKAHARA (Japan) said that his delegation could accept operative paragraph 2 with the proposed amendments on the understanding that the maritime, river and air navigation rights provided for in international law would not be affected by the adoption of the draft resolution.

13. Mr. TOWLER (United Kingdom) said his delegation could join in a consensus on the draft resolution with the proposed amendments.

14. Mr. MOONEY (Ireland) said his delegation had reservations about the proposed amendments to operative paragraph 2, which greatly weakened the paragraph, but he would not block a consensus.

15. The CHAIRMAN said he took it that the Committee wished to recommend to the General Conference that it adopt the draft resolution contained in document GC(42)/COM.5/5/Rev.1, with the insertion of "also" after "Noting" in preambular paragraph (h) and with operative paragraph 2 amended in the manner proposed by the representative of Australia and himself.

16. It was so agreed.

ARTICLE VI OF THE STATUTE (resumed)
GC(42)/19 and Add.1)

17. Mr. IKEDA (Japan), speaking as Chairman of the Board of Governors, said that he had conducted informal consultations concentrating on the matter of the composition of regional groups. The consultations - with individual Member States - had been businesslike and constructive, but wide divergences of position had still been apparent.

18. He hoped to submit to the Committee, later in the day, the draft of a statement which the President of the Conference could read out in Plenary.

19. The CHAIRMAN suggested that the Committee adjourn now and reconvene once a draft presidential statement had been produced for its consideration.

20. He would report to the Conference in Plenary on what the Committee had done under items 5(c), 5(d) and 9-16 of the Conference's agenda, informing the Conference that the Committee still had to complete its consideration of item 17, "Article VI of the Statute".

The meeting rose at 10.50 a.m.